



MINUTES OF SPECIAL JOINT CITY
COUNCIL/REDEVELOPMENT AGENCY
MEETING OF THE CITY OF HAYWARD
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, June 18, 2002, 8:00 p.m.

MEETING

The Special Joint City Council/Redevelopment Agency Meeting was called to order by Mayor/Chair Cooper at 8:00 p.m., followed by the Pledge of Allegiance led by Council/RA Member Ward.

ROLL CALL

Present: COUNCIL/RA MEMBERS Jimenez, Hilson,
Rodriquez, Ward, Dowling, Henson
MAYOR/CHAIR Cooper
Absent: None

PUBLIC COMMENTS

John Kyle referred to his request of May 9 and asked again that the future of the Route 238-ByPass be placed on a future City Council agenda.

Suzanne Cox suggested a community outreach to eliminate garbage and debris in vacant lots. She also requested cleanup on a vacant lot directly across from 24942 O'Neil Street. She further noted that businesses on auto row are impacting her neighborhood with noise as well as the off-loading of cars, and commented on the illegal parking on her street.

Jason Moreno showed photos of eroded asphalt on the northern end of Western Boulevard and asked how staff would address street repair requests by residents.

Barbara Heringer-Swarr commented on redevelopment and suggested that a booth provide information at street fairs on redevelopment impacts to neighborhoods.

Jim Drake asked about properties on his street and expressed his concerns with blight. He also suggested diagonal parking on Jackson, A, C, and Main Streets.

CONSENT

1. Approval of Minutes of the Special Joint City Council/Redevelopment Agency Meeting of June 11, 2002

It was moved by Council/RA Member Henson, seconded by Council/RA Member Dowling, and unanimously carried to approve the minutes of the Special Joint City Council/Redevelopment Agency Meeting of June 11, 2002.

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2. Slurry Seal, Pavement Repair, and Rehabilitation 2002-03: Award of Contract

Staff report submitted by Deputy Director of Public Works Bauman, dated June 18, 2002, was filed.

It was moved by Council Member Henson, seconded by Council Member Dowling, and unanimously carried to adopt the following:

Resolution 02-081, "Resolution Awarding Contract to Top Grade Construction for Pavement Rehabilitation 2002/03, Project No. 5127, 5128, and 5129"

Resolution 02-082, "Resolution Awarding Contract to Bond Blacktop, Inc. for Pavement Slurry Seal 2002/03, Project No. 5128"

HEARINGS

3. Downtown Business Improvement Area Consideration of Annual Levy

Staff report submitted by Redevelopment Director M. Bartlett, dated June 18, 2002, was filed.

Redevelopment Director Bartlett provided information on the budget as presented and responded to questions related to activities, improvements such as the new banners, as well as the newsletter.

There were no requests to speak. Mayor Cooper opened and closed the public hearing at 8:25 p.m.

It was moved by Council Member Ward, seconded by Council Member Henson, and unanimously carried to adopt the following:

Resolution 02-083, "Resolution Confirming the Annual Report and Authorizing the Downtown Business Improvement Area (DBIA) Levy and Benefit Zone Changes for Calendar Year 2003"

LEGISLATIVE BUSINESS

4. Adoption of the Operating Budget for the City of Hayward and the Redevelopment Agency Budget for Fiscal Year 2002-03, the 2002-03 Master Fee Schedule, and the 2002-03 Gann Appropriation Limit and the Five Year Capital Improvement Program 2002-03 – 2005-06



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Staff report submitted by City Manager/Executive Director Armas, dated June 18, 2002, was filed.

City Manager/Executive Director Armas presented a brief report, referring to the various public hearings and workshops previously held. He indicated that after projected revenues and expenditures, there would be a slight surplus. He discussed the potential State impacts.

Mayor/RA Chair Cooper opened the public hearing at 8:28 p.m.

John Kyle discussed and suggested a truck stop at the airport. He also commented on the safety of children as they walk to school in the Longwood neighborhood.

Barbara Swarr inquired on a loan to the Redevelopment Agency and asked about the workers' compensation loan and whether interest was accruing.

Jim Drake asked about debt for the City, particularly City Hall, and the general fund in relation to the funds from the sale of the former city hall on Foothill Boulevard. He insisted on the paying off of the debt on the new City Hall.

City Manager/Executive Director Armas explained that the funds earned from the sale of the former City Hall are in a savings account for use as the Council deems.

Council/RA Member Jimenez said it was a wise move to sell the old City Hall since it placed the building and the property on the tax rolls.

Mayor/RA Chair Cooper closed the public hearing at 8:34 p.m.

Council/RA Member Ward suggested that the City of Hayward deposit funds in the local banks if they qualify since the assumption is that the funds will stay in Hayward.

It was moved by Council/RA Member Hilson, seconded by Council/RA Member Ward, and unanimously carried adopt the following:

Resolution 02-084, "Resolution Approving the Budget of the City of Hayward for Fiscal Year 2002-2003; Adopting Appropriations for Fiscal Year 2002-2003; and Making Certain Policy Decisions Regarding the Budgets for Upcoming Fiscal Years"

RA Resolution 02-09, "Resolution Approving the Budget of the Redevelopment Agency of the City of Hayward and Adopting

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Appropriations for Fiscal Year 2002-2003”

Resolution 02-085, “Resolution Adopting a Revised Master Fee Schedule Relating to Fees and Charges for Departments in the City of Hayward and Rescinding Resolution No. 01-096 and All Amendments Thereto”

Resolution 02-086, “Resolution Adopting a Spending Plan for Capital Projects for Fiscal Years 2002-2003 Through 2005-2006”

Resolution 02-087, “Resolution Establishing the Appropriation Limit for Fiscal Years 2002-2003”

5. Resolutions and Ordinance Related to an Amendment to the Contract with California Public Employees Retirement System and a Resolution Implementing Internal Revenue Code Section 414(h)(2)

Staff report submitted by Employee Benefits Administrator Baldinelli, dated June 18, 2002, was filed.

Human Resources Director Perrin-Scales explained the settlement reached with the 600 miscellaneous employees for an enhanced retirement. The Council must introduce the Resolution and adopt the Ordinance in order to implement this program.

Council Member Ward stated that this action is consistent with those of other cities throughout the State.

There were no requests to speak so Mayor Cooper opened and closed the public hearing at 8:42 p.m.

It was moved by Council Member Henson, seconded by Council Member Dowling, and unanimously carried to introduce and adopt the following:

Introduce Ordinance 02-__, “An Ordinance Authorizing an Amendment to the Contract Between the City Council of the City of Hayward and the Board of Administration of the California Public Employees’ Retirement System”

Resolution 02-088, “Resolution of Intention to Approve an Amendment to the Contract Between the Board of Administration of the Public Employees’ Retirement System and the City Council of the City of Hayward”

Resolution 02-089, “Resolution implementing Internal Revenue



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Service Code Section 414 (h)(2) Concerning Payment of Employee Contributions to the Public Employees Retirement System on Behalf of Members of the Service Employees International Union, SEIU Local 790; International Federation of Professional and Technical Employees, IFPTE Local 21; Hayward Association of Management Employees; HAME: Non-Represented Employees; and Elected Officials”

6. Resolution Granting the City’s Consent to the Transfer of the Cable Franchise to AT&T Comcast Corporation

Staff report submitted by Auditor Guiton-Jones, dated June 18, 2002, was filed.

Finance Director Carter made the staff presentation, noting that the City must give permission for the transfer to take place.

Council Member Henson asked how limited the City is to the Telecom Act of 1996. He also asked what the City looks for when it looks at the financial records.

Finance Director Carter responded that the City is limited to three areas: Operations, Financial and Legal, and discussed the process staff used to review these areas. He reported that the City was limited to the audited financial statements as well as the SEC quarterly filings. He commented that the sales operation is a substantial operation.

City Manager Armas explained that the City’s franchise agreement was entered into in advance of the Federal Legislation. This legislation has severely limited the City’s ability to exercise any leverage to demand better performance from the Cable Operator. He added that, in the Bay Area, there is essentially one provider.

Council Member Hilson expressed his concerns regarding franchise payments made to the City and asked how much the City is receiving.

City Manager Armas said that several cities have met and reviewed their accounts and corrected past discrepancies. It was noted that the City anticipates about \$800,000.

Council Member Jimenez commented on the various mergers in the recent past of AT&T.

Council Member Rodriquez noted that it seemed with each merger, fees are raised. She felt that the fees for the cable services were ludicrous.

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City Manager Armas noted that as to the fees, the predecessor company tended to adjust them on an annual basis. Congress removed from the local jurisdiction the ability to regulate rates.

Mayor Cooper expressed strong concern at the lack of response to customers by the local company. She noted that there is no local assistance, which does a disservice to the community.

Finance Director Carter commented that this was something staff could investigate and follow up on.

Mayor Cooper opened the public hearing at 8:54 p.m.

Jim Drake asked about the merger two years ago when there was a disagreement with AT&T and whether the Arthur Anderson firm was the auditor. He was told it was more an attitudinal disagreement.

Jason Moreno commented on an issue with cable services at his apartment complex and commended the City Attorney staff for its assistance in resolving the issue.

Council Member Dowling asked if the representative of AT&T was present to speak to service issues. He noted that being such a large national agency, he did not feel there was much concern towards customers on a local basis. Staff noted that there is still a local customer service location on Clawiter Road.

Rachel Guillen, representing AT&T, answered a number of questions from the Mayor and Council Members as well as provided her telephone number for anyone who has a problem with cable service.

Council Member Henson asked whether the City of Hayward could look at the financial position of the cable company and base a protest on increased rate on this ability. It was noted that the City was precluded from doing so because of Federal law.

Council Member Hilson asked Ms. Guillen whether the franchise fees would be continued under the new company as well.

Ms. Guillen responded affirmatively.

Mayor Cooper closed the public hearing at 9:02 p.m.

Council Member Hilson said he believes the merger will affect the City's ability to address the concerns of citizens and he would not be supporting the recommendation.

Council Member Ward commented on the lack of choice for the current service. He asked what would happen if various elected bodies throughout the State were to elect not to support this merger, would it happen automatically.



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City Manager Armas responded that if the Council takes no action it would be deemed approved. He added that the factors available could not be construed to recommend denial of the merger.

Council Member Dowling very reluctantly made the motion to approve the merger.

Council Member Henson seconded the motion and asked that the comments be forwarded on to both AT&T and Comcast. He felt that this Council would not be the only one dissatisfied with the service.

Mayor Cooper indicated that the Council expects the Cable Service to have a local representative available for customer service and customer complaints. She noted that the Council would look very unkindly at any increases within the immediate future.

It was moved by Council Member Dowling, seconded by Council Member Henson, and carried by the following roll call vote to adopt:

Resolution 02-090, "Consenting to the Change of Control and Internal Restructuring Between AT&T and Comcast Corporation"

AYES: Council Members Jimenez, Ward, Dowling,
Henson
Mayor Cooper
NOES: Council Member Hilson, Rodriquez
ABSENT: None
ABSTAINED: None

COUNCIL REPORTS

Council Member Dowling asked that Council direct staff to review and place on a future agenda the proposal as presented by the group, CASH, related to campaign finance for the City of Hayward.

ADJOURNMENT

Mayor Cooper adjourned at 9:11 p.m.

APPROVED:

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Roberta Cooper, Mayor, City of Hayward

ATTEST:

Angelina Reyes, City Clerk, City of Hayward